

**DRAFT**  
**Water Pollution Control**  
**State Revolving Fund**  
**Intended Use Plan and**  
**Project Priority List**

Economic Recovery and Reinvestment Act of 2009

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**MONTANA  
WATER POLLUTION CONTROL STATE REVOLVING FUND  
DRAFT INTENDED USE PLAN  
FOR THE  
AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009**

**I. INTRODUCTION**

The State of Montana proposes to adopt the following Intended Use Plan (IUP) as required under Section 606 of the Clean Water Act.

The primary purpose of this IUP is to identify the proposed use of the federal funds available to the Montana Water Pollution Control State Revolving Fund (WPCSRF) under the American Recovery and Reinvestment Act of 2009 (ARRA or the Act). Federal dollars appropriated under the Act will be available until the funded projects are completed. However, if projects identified for funding are not under construction or construction contract by February 16, 2010, those funds will be deobligated from the WPCSRF Program as well as from the project. The federal capitalization funds available under the Act do not require the State of Montana to provide matching funds. Due to the very short timeline required under the Act, this draft IUP and Project Priority List (PPL) were put together with the best information available at the time. The draft IUP will be reviewed by the public and the final version will reflect the results of this review. It is fully expected that new, qualifying projects will be added to the initial project list during the public comment period. It should be noted that WPCSRF program staff will be very conservative in selecting projects to add to the list during the public review period in order to assure that each project will definitely be under construction by February 16, 2010 so that no funds are forfeited.

The IUP includes the following:

- I. Introduction
- II. Goals and Objectives
- III. Activities to be Supported
- IV. Uses of the Revolving Fund
- V. Criteria and Method for Distribution of Funds
- VI. Criteria for Disadvantaged Communities
- VII. List of Projects
- VIII. Order of Funding
- IX. Assurances and Specific Proposals
- X. Public Comment, Amending IUP, State Commitment of Funds

**II. GOALS AND OBJECTIVES**

**Long-Term Goal and Objectives**

The long-term goal of the WPCSRF is to maintain, restore and enhance the chemical, physical and biological integrity of the State's waters for the benefit of the overall environment and the protection of public health.

Objectives:

- 1. Provide affordable financial assistance for eligible applicants concurrent with the objective of maintaining a long-term, self-sustaining State revolving fund program; and
- 2. Fulfill the requirements of pertinent federal, state and local laws and regulations governing water pollution control activities, while providing the state and local project sponsors with maximum flexibility and decision-making authority regarding such activities.

**Short-Term Goal and Objectives**

The short-term goals of the WPCSRF program with respect to the Act are to, as quickly as practicable, create jobs, promote economic recovery and implement energy-efficient or green technologies where appropriate. Consistent with the historic goals of the program, other short-term goals are to continue to preserve and improve the quality of the State's waters (surface and

groundwater), to meet the wastewater treatment needs of the state, and to eliminate any public health hazards related to the discharge of inadequately treated wastewater. As an estimated measure of the environmental benefits attained through funding of water pollution control projects, the WPCSRF program will continue to complete an environmental benefits spreadsheet (EPA's Clean Water Benefits Reporting Database) for each project funded under the Act. Additional reporting elements, as required under the Act will be submitted in the above-mentioned database.

Objectives:

1. Provide approximately twelve new loans under the Act for eligible municipal water pollution control construction projects and/or other green technology projects.
2. Consistent with the requirements of the Act, provide financial assistance in the form of low interest loans with 52% principal forgiven on each loan.
3. Consistent with the intent of the Act, promote expeditious use of the funds made available under the Act by prioritizing those projects that will clearly initiate construction by June 17, 2009. Other qualifying projects that are clearly ready to proceed to construction by February 2010, as determined by WPCSRF staff, will also be considered as eligible projects.
4. Promote the implementation of energy and water conservation and green technology by funding approximately \$4 million of projects or project elements that meet the intent of this requirement of the Act.
5. Ensure the technical integrity of WPCSRF projects through the review of planning, design plans and specifications, construction activities and development of a sound operation and maintenance program;
6. Ensure compliance with all pertinent federal, state and local water pollution control laws and regulations;
7. Simplify the administrative and regulatory requirements of the program, without sacrificing project quality, to make the financial assistance readily accessible; coordinate on a regular basis with DNRC and financial consultants to consider ways to improve the program and optimize use of resources; and
8. Apply for all available appropriated federal funds contingent upon federal legislation.

### **III. INFORMATION ON THE ACTIVITIES TO BE SUPPORTED**

Consistent with the Act, the type of assistance to be provided by the WPCSRF, under Title VI of the CWA, is low-interest loans with 52% of the principal forgiven. The State plans on reserving an amount equal to four (4) percent of the federal capitalization grant for administrative expenses.

Eligible applicants are state agencies, communities, county sewer districts, counties and other sub-governmental units recognized under Montana statutes for the construction of publicly-owned wastewater treatment facilities or sponsors (public or qualifying private entities) for non-point source water pollution control projects.

### **IV. USES OF THE WATER POLLUTION CONTROL STATE REVOLVING FUND**

Under the Montana Water Pollution Control State Revolving Fund Act and the ARRA, the WPCSRF funds may be used to:

1. Provide low interest loans to municipalities for wastewater treatment systems, new interceptors, collectors, and appurtenances, infiltration/inflow correction, sewer system rehabilitation, correction of combined sewer overflows, and construction of new storm sewers and detention basins. The low interest loans can be made for up to 100 percent of

the total project cost, provided the loan amount does not exceed any cap placed on loans by the WPCSRF program. For the purpose of the Act, additional subsidization, in the form of principal forgiveness will be applied to each loan.

2. Consistent with the Act, qualifying projects that incurred debt after October 1, 2009 may be eligible for refinancing with funds made available under the Act. However, these projects would have had to meet other requirements of the Act, including Federal Davis-Bacon Wages and the 'buy American' requirements. Further, refinancing of a project is not considered by EPA or the WPCSRF program to meet the intent of the Act and, therefore, will only be funded if there are not enough eligible projects ready to proceed to construction by February 16, 2010.
3. Finance part or all of nonpoint source (319) water pollution control projects whose primary purpose is to protect or restore water quality.
4. Earn interest on program fund accounts
5. Pay reasonable administrative costs of the WPCSRF program not to exceed four (4) percent (or the maximum amount allowed under the federal act) of all federal grants awarded to the fund.

In addition to using WPCSRF funds for administration, each loan has a 0.75% administrative surcharge (fee) included in the 1.75% interest rate. These fees are not considered part of the loan principal. The reserve generated from this loan surcharge will be used for WPCSRF administration costs not covered by the EPA grants after capitalization grants cease and to pay for administration of projects that use recycled funds. The special administrative fees collected through loan repayments can be broken down into two categories. If the fees are repaid from federally-funded loans during the grant period (i.e., from capitalization grants that are still open) the uses of these fee funds will be limited to either SRF program administration or transfers to the principal account, as indicated above. However, fees repaid from loans made from capitalization grants that have been closed or from recycled funds may be used for other purposes as long as those uses are consistent with the federal Clean Water Act, this Intended Use Plan, the Operating Agreement between DEQ and EPA, or the Trust Indenture and DEQ and DNRC rules and laws governing the WPCSRF program.

Due to recent significant population growth in Montana and the expansion of water and sewer services to accommodate that growth, both the WPCSRF and Drinking Water SRF programs have modified the existing growth policy to clarify the eligibility of certain types of projects directly associated with growth. Specifically, with regard to wastewater systems, new wastewater collection lines that serve areas that are not at least 50% occupied are not eligible for WPCSRF funding.

## V. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

Funds available to the WPCSRF program under the Act will be distributed using the methods and criteria for eligible activities described in the WPCSRF program rules that have been adopted by the DEQ and DNRC. The funds will be distributed in accordance with the procedure developed in the DEQ Administrative Rules with additional consideration given to the requirements and intent of the Act with respect to promoting quick-start activities and green technology. This procedure considers ranking on the Priority List, readiness of the project to proceed, and impacts of the project to the WPCSRF. Loan terms and interest rates will be determined in accordance with the Administrative Rules adopted by the DEQ and DNRC consistent with the Act. The normal WPCSRF ranking criteria used in SFY2009 has been modified so that the Readiness to Proceed category is more heavily weighted in order to prioritize those projects ready to proceed to construction by February 16, 2010. Further priority points are given for projects expected to begin construction by June, 2009. The ranking criteria is attached as **Attachment 1**.

In order to maximize the economic benefit of funds made available under the Act, the WPCSRF program will preliminarily impose a per project cap of \$1,271,000. Additionally, on a per-project basis, loan and principal forgiveness will be limited such that the total amount of subsidization

(including grants from all sources and SRF principal forgiveness) shall not be more than 75% of the project costs unless the community qualifies for additional affordability consideration. If other qualifying projects are added to the PPL during the public review process, the aforementioned cap may be reduced accordingly. If there are additional qualifying projects submitted during the public review process such that placing a funding cap necessary to provide funding to all projects results in a cap so low as to substantially reduce the economic benefit to the funded projects, DEQ may either establish a minimum loan amount or impose a limit to the number of projects to receive funding.

Consistent with the intent of the Act, to provide funds for projects that are clearly ready to proceed to construction, any project that is waiting on the outcome of other funding sources before proceeding with the project at the time of project ranking is viewed as being not far enough along in the normal planning, design and construction process or sequence to realistically initiate construction within the required time frame. Special considerations, where projects have simple rate increases or special improvement districts to create and that have enough time built into their project schedules to do so, will be evaluated on a case-by-case basis.

The Act requires that 20% of the capitalization grant be used to implement water or energy conservation projects or for green technology projects to the extent that those projects are available to proceed. DEQ will actively solicit projects that qualify for 'green' projects if there are insufficient projects identified in the final IUP. EPA will withhold up to 20% of the capitalization amount until June 17, 2009 if there are insufficient projects identified to receive this funding. On or about June 17, 2009, if there are still insufficient green or conservation projects ready to proceed, DEQ may certify that its outreach has not yielded sufficient projects and EPA will release the withheld amount for funding conventional projects ready to proceed to construction. After that certification, if there are additional projects ready to proceed to construction that have not been funded, DEQ will distribute those funds to those projects. If there are not additional projects ready to proceed to construction, DEQ will increase the amount of funds allotted to each project.

If a project sponsor receives additional grant funds from other sources after finalization of the IUP, DEQ may reduce the recovery funds to that project accordingly unless the original scope of the project is increased equivalent to the amount of the additional grant amount. Funds released from that project will be used to fund another project that is ready to proceed to construction within the time frame established in the Act or increase the amount of assistance to another project or projects.

DEQ will evaluate detailed project schedules for all projects and reserves the right to adjust those submitted schedules in order to provide realistic time lines so that all projects receiving this funding will clearly begin construction within the required timeframe with some margin of safety. This may create situations in which this schedule adjustment makes projects ineligible to receive ARRA funds due to not meeting construction start deadlines established in the Act.

DEQ's intent is to be conservative in selecting projects that it believes are ready to start construction. The reason for the conservatism is that, in accordance with the Act, if any one project does not have a construction contract executed by February 16, 2010, not only does that project lose its funding, the State of Montana also loses the funding and, therefore, it will not be available for other projects. Additionally, the WPCSRF program would not be able to secure any funds that might be available for reallocation with forfeited funds after 12 months (from the date of the signing of the Act).

Also, in an effort to distribute funds to as many eligible projects as possible, DEQ will impose a restriction that allows each applicant to submit only one project for funding under the Act unless one of the projects is substantially for green infrastructure or for water and energy efficiency. The reason for this allowance is to be consistent with the Act in terms of promoting these types of activities.

In order to further assure that all funds go to projects ready to begin construction as indicated above and in an effort to avoid losing funds and thus precluding the award of deobligated funds from other states, DEQ will evaluate the progress of all projects on or about November 30, 2009. If, at that time, DEQ feels that a project or projects are not proceeding in a timely matter that would result in not issuing a construction contract by February 16, 2010, it may choose to pull the funds from that project or projects and award them to other projects.

## VI. CRITERIA FOR ADDITIONAL AFFORDABILITY CONSIDERATION

A community will be considered for additional subsidization when its combined monthly water and wastewater system rates are greater than or equal to 2.3% of the community's Median Household Income (MHI). If the community has only a wastewater system, the percentage is 0.9% of the community's MHI. These percentages are consistent with affordability requirements of other state funding agencies in Montana. The water and sewer rates used for this calculation include new and existing debt service and required coverage, new and existing operation and maintenance charges, and depreciation and replacement of equipment.

In an effort to provide additional assistance to economically disadvantaged communities, the WPCSRF program will offer, in conjunction with the 52% principal forgiveness, a further reduction in interest rate of 1%, resulting in an interest rate of 0.75% on the remainder of the principal that is not forgiven.

## VII. LIST OF PROJECTS

The WPCSRF program is intending to provide low interest loans with 52% principal forgiveness, or equivalent negative interest rates, for the design and construction of municipal water pollution control projects that are clearly expected to begin construction by February 16, 2009. A list of eligible water pollution control projects that are considered ready to proceed to construction by February 16, 2010 can be found in **Attachment 2**, the Project Priority List (PPL).

A binding commitment will be in the form of a written agreement between the State of Montana and a borrower describing the project and indicating the amount of the loan and the time at which the funds will be made available. The binding commitment obligates the State to make the loan and the borrower to receive the proceeds and repay, as per specified terms.

## VIII. ORDER OF FUNDING

WPCSRF funds made available under the Act will be allocated according to the ranking on the PPL. Additional WPCSRF funds needed to fully fund these projects, if required, will be addressed in the normal annual IUP and PPL. Currently, there exists an IUP and PPL for state fiscal year 2009, available for viewing at <http://www.deq.mt.gov/wqinfo/srf/iup-ppl.asp>.

The normal WPCSRF ranking criteria were modified to reflect the intent of the Act by increasing the weight on the points awarded in the Readiness to Proceed category. Affordability will be considered on project-level basis at the time of the commitment agreement. The water pollution control objectives of the current ranking system remain in order to reflect the long term goals and objectives of the program. The state fiscal year 2009 PPL was used as a basis for developing the draft 'Recovery PPL' due to the level of information available for these projects.

The level of WPCSRF funding provided for each project, using funds made available under the Act, will be determined by DEQ and DNRC based on:

1. The amount of grant funds available to the WPCSRF under the Act.
2. The number of eligible projects viewed as ready to initiate construction in the short time frame required in the Act.
3. Ability of the municipality to finance the project, with and without loan assistance/subsidization.
  - E. If the loan closed amount is less than that anticipated during the preparation of the final IUP, DEQ may reallocate the difference to a project (or projects) that is clearly ready to begin construction within the time frames established in the Act.

## **IX. ASSURANCES AND SPECIFIC PROPOSALS**

The State will assure compliance with the following sections of the law in the State/EPA Operating Agreement, of which this document is a part. In addition, the State has developed specific proposals for implementation of those assurances in the rules promulgated by the Montana Department of Environmental Quality (DEQ) and the Montana Department of Natural Resources (DNRC).

- Section 602(a) of the Clean Water Act (CWA) – Environmental Reviews – The State of Montana certifies that it will conduct environmental reviews of each project receiving assistance from the WPCSRF. Montana will follow EPA approved, NEPA-like procedures in conjunction with such environmental reviews.
- F. Section 602(b) (4) (CWA)- Timely Expenditures – The State of Montana certifies that it will expend all funds in the WPCSRF in an expeditious and timely manner.
- Section 602(b)(6) (CWA) – Compliance with Title II Requirements – The State of Montana certifies that the applicable Title II requirements listed under this section will be satisfied in the same manner as projects constructed under Title II of the Clean Water Act.

### **G. PUBLIC COMMENT and AMENDING THE INTENDED USE PLAN**

Public Review and Comment – One public hearing will be held on Friday, March 20, 2009 in Helena to explain the draft IUP and PPL and to allow public comment. Public notice concerning the PPL and IUP will be available to the public via mailed notices to cities, towns, sewer districts, counties and engineering consultants.

Amending the IUP – Due to the lack of available funding with respect to demand for the funds, the addition of projects to the final priority list will not be permitted with the following exception. If, upon publication of the final IUP, there are insufficient projects qualifying as green technology or water or energy efficient projects such that EPA will withhold grant funds, a project or projects qualifying as 'green' maybe added to the PPL prior to June 17, 2009.

## ATTACHMENT 1

### WATER POLLUTION CONTROL STATE REVOLVING FUND PRIORITY LIST RANKING CRITERIA FOR ECONOMIC RECOVERY FUNDING Revised February 26, 2009

#### A. WATER QUALITY IMPAIRMENT

Choose either the surface water or ground water category to evaluate impairment of water quality. Then proceed to categories B, C, and D for all projects. If the discharge is primarily to ground water, yet surface water is also impacted, use the ground water category to evaluate the impairment of water quality.

##### 1. SURFACE WATER

Use this category only to evaluate impairment of water quality resulting from a surface water discharge.

##### H. Number of Classified Uses Impacted by this activity.

See current 303(d) list of impaired streams or local TMDL for uses that are impacted for the water body in question. Not all water bodies in Montana have been assessed and, therefore, may not appear on the 303(d) list of impaired water bodies. Also, if a TMDL has been completed on the watershed, it may have been removed from the 303(d) list. If the water body does not appear on the 303(d) list and a TMDL has not been completed, a preliminary ranking can be performed using best professional judgement with regard to number of uses impacted, extent and duration of the impact. An assessment of the water body should be requested from proper DEQ personnel.

Pick one of the following:  
(Give 0 points or full points)

Drinking Water Supply <b>OR</b> Three or more uses impacted	5	
Two uses impacted	3	
One use impacted	2	
No uses impacted	1	_____

List uses impacted by this activity: \_\_\_\_\_

##### I. Area impacted by this activity

Pick one of the following:  
(Give 0 points or full points)

More than 10 stream miles or more than 1000 acres	5	
Between 1 and 10 mi. or between 100 and 1000 ac.	3	
Between 0.1 and 1 mi. or between 10 and 100 ac.	2	
Less than 0.1 stream mi. or less than 10 ac.	1	_____

##### J. Duration of Impact From This Activity

Pick one of the following:  
(Give 0 points or full points)



Duration of impact is continuous		<b>4</b>
Duration of impact is seasonal	<b>2</b>	
Duration of impact is less than 15 days per year	<b>1</b>	_____

**d. TOTAL POINTS FOR SURFACE WATER IMPAIRMENT** \_\_\_\_\_

Multiply points assigned in subcategories a., b., and c. to arrive at the total points for surface water impairment (i.e., a x b x c = d).

**2. GROUND WATER**

Use this category only to evaluate impairment of water quality resulting from a ground water discharge.

**K. Classified uses impacted by this activity.**

Pick one of the following:  
(Give 0 points or full points)

<b>Community</b> drinking water supply is impacted OR due to a hydrologic connection, aquatic life in a surface water body is impacted.	<b>5</b>	
<b>Other public</b> drinking water supply is impacted	<b>3</b>	
<b>Non-public</b> drinking water supply is impacted (i.e., not a public water system)	<b>2</b>	
Other use is impacted	<b>1</b>	_____

**L. Area Impacted by Activity**

**Generally, little information is available to demonstrate the extent of a contaminant plume. Best professional judgement will be required to estimate the extent of contamination due to the activity in question. Sampling results and the duration of the problem should be considered when assigning points under this category. Be sure to include the extent of any impacts to surface water if known.**

Pick one of the following:  
(Give 0 points or full points)

More than 100 acres	<b>5</b>	
Between 10 and 100 acres	<b>3</b>	
Between 1 and 10 acres	<b>2</b>	
Less than 1 acre	<b>1</b>	_____

**M. Duration of Impact From This Activity**

Pick one of the following:  
(Give 0 points or full points)

Duration of impact is continuous		<b>4</b>
Duration of impact is seasonal	<b>2</b>	
Duration of impact is less than 15 days per year	<b>1</b>	_____

**d. TOTAL POINTS FOR GROUND WATER IMPAIRMENT** \_\_\_\_\_

Multiply points assigned in subcategories a., b., and c. to arrive at the total points

for **ground water impairment** (i.e.,  $a \times b \times c = d$ ).

**N. EFFECTIVENESS OF PROPOSED PROJECT IN IMPROVING WATER QUALITY**

**Pick one of the following:**

Project is expected to eliminate health hazards or restore water body to fully supporting all uses that are impacted by the activity: **100**

Examples: All septic tanks in an area are being replaced by sewer.  
A small stream is listed for nutrients and the primary source of the nutrients is the WWTP and BNR, total retention or spray irrigation is proposed. (Note: This scenario would probably only apply for a large discharge in a small stream.)  
Stormwater project which eliminates flooding that is public health related.

Any project that directly improves the quality of ground or surface water, but may not fully restore uses as indicated above. **50**

Examples: Stormwater retention to prevent runoff from reaching sediment-impacted stream.  
I/I correction to eliminate SSOs or to improve treatment efficiency.  
Separation of sanitary and storm sewers.  
WWTP upgrade that improves treatment capabilities.  
Fix existing leaking lagoons (unless conversion to spray irrigation or total retention, in which case, it may be given more points as indicated above).  
Replacement of failing lift station.

Project is primarily designed to improve infrastructure and/or may not have direct impacts to improving water quality. **25**

Examples: Stormwater collection not related to public health.  
Upgrading unit processes – not expected to reduce pollution.  
Landfills and related equipment.  
Replacing old collection systems – not related to treatment improvement or overflows.

Project is for expanding collection or treatment system to accommodate expected growth. **10**

**TOTAL POINTS FOR WATER QUALITY IMPROVEMENT** \_\_\_\_\_

**C. ACTIVITY-SPECIFIC CRITERIA**

**Select either category 1 (Wastewater Projects) or 2 (Nonpoint Source Projects) below.**

**1. Wastewater Projects**

**O. Existing Equipment or Processes**

May assign points in all categories  
(Give 0 points or full points)

One or more unit processes is at or beyond capacity, resulting in adverse impacts to performance. **10**

Reliability and/or equipment obsolescence is adversely affecting one or more existing unit processes and the proposed project will replace or upgrade the unit process. (This could include failing septic systems or leaking lagoons.) 10

**TOTAL POINTS IN a.** \_\_\_\_\_

**P. Pollution Prevention**

May assign points in all categories  
(Give 0 points or full points)

Project involves beneficial use of treated wastewater or biosolids resulting in reduction or elimination of a discharge to surface water or groundwater and provides some further benefit such as the growth of crops or turf. 10

Water meters are installed in the entire project area. 10

An I/I reduction program is being implemented or will be part of the proposed project OR I/I is currently less than 20% of the total wastewater flow on an annual basis. 10

The applicant has no MPDES or MGWPCS permit violations or other water pollution-related violations within the last 3 years. 10

Community encourages the use of phosphate-free detergent. 10

**TOTAL POINTS IN b.** \_\_\_\_\_

**TOTAL POINTS FOR WASTEWATER PROJECTS**

\_\_\_\_\_  
Add points assigned in subcategories a. and b. to arrive at the total points for wastewater projects.

**Q. Nonpoint Source Projects**

May assign points in all categories  
(Give 0 points or full points)

The proposed project will reduce erosion and sediment discharges to streams. 10

Examples: Channel storm water runoff to settling ponds.  
Protect streambanks by providing alternate sources of stock water.  
Install buffer strips between fields and streams.

The proposed project will prevent excess nutrients from entering state waters. 10

Examples: Implement nutrient management plans to maintain high yields and prevent excess fertilizer use.  
Install waste control structures at animal feeding operations. (Note: Concentrated animal feeding operations do not qualify for nonpoint

source projects.)  
 Improve irrigation water use management to reduce return flows.  
 Replace failing septic tanks.

The proposed project will reduce metals from entering state waters. **10**

Examples: Continuous crop soils with high selenium levels.  
 Move mine waste to hazardous waste repositories.  
 Cap tailings.

The proposed project will improve water use efficiency and/or promote wildlife habitat. **10**

Examples: Construct, restore, and protect wetlands.  
 Improve irrigation water use management to reduce return flows.

Project funds will be used in conjunction with other funds to increase the scope or magnitude of the pollution reduction, prevention, or water quality improvement activities. **10**

The proposed project's primary purpose is to protect water quality. **20**

**TOTAL POINTS FOR NONPOINT SOURCE PROJECTS** \_\_\_\_\_

## **R. READINESS TO PROCEED**

May assign points for each category.

All other project funding is in place - (0 or full points only) **100**

Final user rates and charges are in place by ordinance and have been reviewed and approved by the WPCSRF program (via DNRC) (0 or full points only) **60**

Authorization to award a construction contract has been given by the WPCSRF program. **40**

Final plans and specs have been approved or final project approval has been given by the WPCSRF program. **120**  
 (60 points for submittal to WPCSRF program of COMPLETE draft P&S, or 40 pts for DEQ [non-SRF] review of draft plans and specs. 90 pts if project elements have been given final approval by WPCSRF program [80 pts for DEQ, non-SRF approval], e.g., **the elements were removed from a DEQ-approved construction project due to affordability and only need to be repackaged and rebid**).

Planning document or complete, conceptual plan (for NPS projects) has been approved by WPCSRF program (this includes completion of environmental review by WPCSRF program). (15 points for WPCSRF completed review of draft planning document) **30**

**Alternative ranking criteria for simple projects** such as slip-lining, where surveying, environmental review, design, etc are minimal, resulting in projects ready to proceed very quickly. **Assign 100 total pts. However, all other funding must be in place. The project can be assigned additional**

points for funding in place and rates and charges in place if condition met.

Additional points for readiness to proceed;

Project likely to start construction by 6/1/09

50 pts

Project likely to start construction by 9/1/09

25 pts

**TOTAL POINTS FOR READINESS TO PROCEED**

\_\_\_\_\_

**S. TOTAL PRIORITY POINTS**

**Refinancing of existing long-term debt. (Total Project pts)  
(not awarded for Economic Recovery funding)\_**

**10**

**TOTAL POINTS IN CATEGORY A. (impairment)**  
(Maximum points – 100)

\_\_\_\_\_

**TOTAL POINTS IN CATEGORY B. (improvement)**  
(Maximum points – 100)

\_\_\_\_\_

**TOTAL POINTS IN CATEGORY C. (activity-specific)**  
(maximum points – 70)

\_\_\_\_\_

**TOTAL POINTS IN CATEGORY D. (readiness)**  
(maximum points – 400)

\_\_\_\_\_

**TOTAL PRIORITY POINTS**

\_\_\_\_\_

## ATTACHMENT 2

### Draft WPCSRF ARRA Project Priority List

2/26/2009

Project	Project #	Total Loan Amount	ARRA Total Loan	\$ Forgiven	Green \$	Pts	expected start date	Category
Conrad WWTP	C301189	\$3,242,000	1,271,000	662,191	0	541	April	II
Hamilton WWTP Ph 1	C301214	\$1,742,000	1,271,000	662,191	0	511	May	II
Columbia Falls WWTP 2009	C301200	\$3,500,000	1,271,000	662,191	0	460	May	II
Missoula Co. WYE collection	C301189	\$10,390,000	1,271,000	662,191	0	460	May	IVA
Bozeman digester & dewatering	C301229	\$8,000,000	1,271,000	662,191	0	375	May	II
Butte WWTP Headworks & UV	C301228	\$2,335,000	1,271,000	662,191	0	355	May	I
Deer Lodge Collection - sliplining	C304206	\$2,500,000	1,271,000	662,191	0	353	Fall	IIIA
Lockwood collection Ph 1	C303110	\$5,100,000	1,271,000	662,191	0	330	July	IVA
Fairfield Collection - sliplining	C301127	\$641,000	641000	333,961	0	302	Nov	IIIA
Billings Collection - replacement	C302314	\$7,845,000	1,271,000	662,191	0	285	May	IIIB
City of Missoula Rattlesnake collect	C302213	\$2,500,000	1,271,000	662,191	0	255	June	IVA
Laurel headworks and LS	C303195	\$2,000,000	1,271,000	662,191	0	239	Oct	II
<b>Total</b>		<b>\$49,795,000</b>	<b>14,622,000</b>	<b>7,618,062</b>	<b>0</b>			
Reserved for green projects to be determined			3,847,503					
Total ARRA cap grant available for loans			18,469,503					

## PROJECT DESCRIPTION CATEGORIES

I	Secondary Treatment	VIID	NPS Urban Runoff
II	Advanced Treatment	VIIE	NPS Ground Water
IIIA	Infiltration/Inflow Correction	VIIF	NPS Marinas
IIIB	Major Sewer System Rehabilitation	VIIG	NPS Resource Extension
IVA	New Collectors & Appurtenances	VIIH	NPS Brownfields
IVB	New Interceptors & Appurtenances	VII-I	NPS Storage Tanks
V	Correction of Combined Sewer Overflows	VIIJ	NPS Sanitary Landfills
VI	Stormwater Control	VIIK	NPS Hydromodification
VIIA	NPS Agric. (Cropland)	VIII	Confined Animals-Point Source
VIIB	NPS Agric. (Animals)	IX	Mining-Point Source
VIIC	NPS Silviculture		

